

20MAG-2777

ORIGINAL

Approved:

Rebecca Dell

REBECCA T. DELL

Assistant United States Attorney

Before: THE HONORABLE ONA T. WANG
United States Magistrate Judge
Southern District of New York

- - - - - X

: SEALED COMPLAINT

UNITED STATES OF AMERICA

: Violation of
18 U.S.C. §§ 1958 and
2

- v. -

DESIRAE SCHNEIDER,

: COUNTY OF OFFENSE:
NEW YORK

Defendant.

:

- - - - - X

SOUTHERN DISTRICT OF NEW YORK, ss.:

CHARLES TANNOURI, being duly sworn, deposes and says that he is a Special Agent with Homeland Security Investigations ("HSI"), and charges as follows:

COUNT ONE
(Murder-for-Hire)

1. From in or about September 2018 up to and including in or about October 2018, in the Southern District of New York and elsewhere, DESIRAE SCHNEIDER, the defendant, did travel in and cause another person to travel in interstate and foreign commerce, and did use and cause another person to use the mail and a facility of interstate and foreign commerce, with intent that a murder be committed in violation of the laws of any State and the United States as consideration for the receipt of, and as consideration for a promise and agreement to pay, things of pecuniary value, to wit, SCHNEIDER paid and placed an order on a dark web¹ website ("Website-1") for the murder of an individual (the "Victim").

¹ "Dark web" is a colloquial name for an overlay network on top of the existing worldwide web that is only accessible using specialized software, including the TOR browser. It allows users to buy and sell illegal items (such as drugs, firearms, and other hazardous materials) with greater anonymity than is possible on the traditional Internet or "clear web."

(Title 18, United States Code, Sections 1958 and 2.)

The bases for my knowledge and for the foregoing charge are, in part, as follows:

2. I am a Special Agent with HSI and I have been personally involved in the investigation of this matter. This affidavit is based upon my personal participation in the investigation of this matter, my conversations with law enforcement agents, witnesses, and others, as well as my examination of reports and records. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

3. Based on my participation in the investigation, my conversations with other law enforcement officers and other witnesses, my review of documents and other records, and my training and experience, I have learned, in substance and in part, the following:

a. Website-1 is a defunct, dark web website.

b. When Website-1 was active, from in or about August 2018 to in or about October 2018, it advertised that a customer could pay for an act of violence to be committed, such as murder, arson, assault, and kidnapping. The most expensive service listed on Website-1 was "[k]ill the target," the price of which ranged from \$5,000 to \$200,000. The next most expensive service listed was "[b]reak bones or cut body parts," which cost \$2,500.

c. In order to pay for the acts of violence, Website-1 provided instructions for users on how to "convert cash into bitcoins."² Website-1 noted that users could sign up

² "Bitcoin" is an online digital currency that allows users to transfer funds more anonymously than would be possible through traditional banking and credit systems. Users store their Bitcoins in digital "wallets," which are identified by unique electronic "addresses." Although they are legal and have known legitimate uses, Bitcoins are also known to be used by cybercriminals for money-laundering purposes, and are believed to be the most oft-used means of payment for illegal goods and services on dark web websites.

for a Bitcoin wallet on websites, such as a specific U.S.-based company that provides its customers with an exchange service for cryptocurrency and fiat currency ("Company-1").

4. Based on my participation in the investigation, my conversations with other law enforcement officers and other witnesses, my review of documents and other records, and my training and experience, I have learned, in substance and in part, that, between in or about August 2018 and in or about October 2018, a confidential source ("CS-1")³ used a program to scrape from Website-1 (i) a message exchange between an individual ("Individual-1") and Website-1 (the "Message Exchange"), and (ii) information identifying the Bitcoin address associated with the payment made for an act of violence described in the Message Exchange ("Bitcoin Address-1"). In 2019, CS-1 provided law enforcement with the contents of the Message Exchange.

5. Based on my participation in the investigation, my conversations with other law enforcement officers and other witnesses, and my review of the Message Exchange, Bitcoin Address-1, and the blockchain,⁴ I have learned, in substance and in part, the following:

a. On or about September 14, 2018, Individual-1 submitted an order on Website-1 to have an act of violence committed against the Victim. Individual-1 provided the name of the Victim and stated that the Victim works at a company located

³ Since at least in or around January 2019, CS-1 has been providing law enforcement information about the content of Website-1 and other dark web websites which provide similar services, such as murder-for-hire. CS-1 provided this information to law enforcement in the hopes of exposing Website-1 and other related dark web websites as fraudulent websites. Law enforcement has found the information provided by CS-1 to be reliable and has corroborated the information.

⁴ The Bitcoin blockchain is a public ledger on which all Bitcoin transactions are recorded. It is stored on the peer-to-peer network on which the Bitcoin system operates. The blockchain serves to prevent a user from spending the same bitcoins more than once. However, the blockchain only reflects the movement of funds between anonymous Bitcoin addresses and therefore cannot by itself be used to determine the identities of the persons involved in the transactions. Only if one knows the identities associated with a Bitcoin address involved in a set of transactions is it possible to meaningfully trace funds through the system.

in Manhattan, New York. Individual-1 further stated that the Victim "stole my money and blocked me for getting it back. they ruined my life."

b. On or about September 14, 2018, Website-1 requested a payment in Bitcoins from Individual-1.

c. On or about September 14, 2018, Individual-1 told Website-1, "I dont make much money. A large sum going into bitcoin at once would be noticeable from my accounts. Are their payment plans?" In response, on or about September 15, 2018, Website-1 stated, "No, it wont be noticeable, you can say you want to invest in bitcoin all your savings as it will increase."

d. On or about September 16, 2018, Website-1 told Individual-1: "We received your new order information. You pay the hitman after the job is completed but the we need to see that you have funds available on your account before we send an hitman to do the order. Please add bitcoin to your wallet."

e. On or about September 19, 2018, Individual-1 stated, "i have purchased bitcoins into a personal wallet." Individual-1 further explained that it could take up to twelve days for the Bitcoins to be available to transfer into a wallet controlled by Website-1.

f. On or about October 1, 2018, Individual-1 told Website-1 that the Bitcoins were transferred into a wallet controlled by Website-1.

g. On or about October 1, 2018, a transfer of approximately 0.954 Bitcoins (approximately \$6,254.18) was made to a Bitcoin address controlled by Website-1 as payment for the order described in the Message Exchange ("Payment-1").

h. Based on the amount of money transferred in Payment-1 and the price of various services listed on Website-1, see *supra* ¶ 3(b), I believe that Individual-1 was paying for the murder of the Victim as discussed in the Message Exchange.

Identification of DESIRAE SCHNEIDER, the Defendant

6. Based on my review of subscriber information from a service provider, I know that a particular cellphone ("Cellphone-1") is subscribed to DESIRAE SCHNEIDER, the defendant.

7. Based on my review of subscriber information from an email service provider, I know that a particular email

address ("Email Address-1") is subscribed to DESIRAE SCHNEIDER, the defendant.

8. Based on my participation in the investigation, my conversations with other law enforcement officers and other witnesses, my review of documents and other records, including records of a bank ("Bank-1") with headquarters in Manhattan, New York, and my training and experience, I have learned, in substance and in part, the following:

a. On or about December 21, 2004, an individual using the name "Desirae Schneider" opened a bank account at Bank-1 ("Bank Account-1"). When opening the account, "Desirae Schneider" provided a driver's license associated with DESIRAE SCHNEIDER, the defendant, to open the account. Accordingly, I believe SCHNEIDER opened Bank Account-1.⁵

b. On or about September 19, 2018, SCHNEIDER made six electronic withdrawals from Bank Account-1, totaling approximately \$6,170. The description listed for each of the electronic withdrawals contained the name of Company-1.

9. Based on my participation in the investigation, my conversations with other law enforcement officers and other witnesses, my review of documents and other records, including records from Company-1, and my training and experience, I have learned, in substance and in part, the following:

a. On or about September 16, 2018, consistent with the instructions provided by Website-1, see *supra* ¶ 3(c), an individual using the name "Desirae Schneider" opened an account with Company-1 (the "Company-1 Account"). The Company-1 Account (i) listed the user's name as "Desirae Schneider," (ii) listed the user's email address as Email Address-1, and (iii) had a photo of the New York State driver's license of DESIRAE SCHNEIDER, the defendant. Based on my review of law enforcement records of SCHNEIDER, I also know that "Desirae Schneider" listed the date of birth, social security number, and home address of SCHNEIDER.

b. On or about September 16, 2018, "Desirae Schneider" verified Email Address-1 on the Company-1 Account by email.

⁵ While another individual is also listed on the opening documents for Bank Account-1, SCHNEIDER appears to be the primary account holder as she is the first individual listed on the account.

c. On or about September 16, 2018, "Desirae Schneider" linked Cellphone-1 to the Company-1 Account and verified the phone number through a text message.

d. On or about September 18, 2018, "Desirae Schneider" linked Bank Account-1 to the Company-1 Account.

e. On or about September 19, 2018 (the same day Individual-1 told Website-1 that Individual-1 had purchased Bitcoin, *see supra* ¶ 5(e)), "Desirae Schneider" purchased approximately 0.956 Bitcoins (worth approximately \$6,170) using the Company-1 Account. That same day, the Company-1 Account automatically created several withdrawal holds preventing the withdrawal of some of the Bitcoins "Desirae Schneider" purchased. These holds were set to expire on or about October 1, 2018, which, as Individual-1 had told Website-1, *see supra* ¶ 5(e), was twelve days after their creation.

f. Between on or about September 20, 2018 and on or about October 1, 2018, "Desirae Schneider" transferred funds out of the Company-1 Account six separate times (the "Six Transfers"). Pursuant to the instruction from Website-1, *see supra* ¶ 5(c), in the "Notes" section of the first three transfers, "Desirae Schneider" wrote: "first investment!," "next investment!," and "Investment 3." In total, "Desirae Schneider" transferred approximately 0.955 Bitcoins out of the Company-1 Account.

g. After October 1, 2018, there were no further transactions on the Company-1 Account.

h. Based on my review of information provided by Company-1, I know that the same Internet Protocol address was used to access Website-1 when conducting the Six Transfers ("IP Address-1").

i. Based on my review of information provided by an internet service provider, I know that IP Address-1 originated from the home of SCHNEIDER in White Plains, New York.

j. Based on the foregoing, I believe SCHNEIDER is the user of the Company-1 Account.

10. Based on my participation in the investigation, my conversations with other law enforcement officers and other witnesses, my review of documents and other records, and my review of the blockchain and a blockchain analysis software, I have learned, in substance and in part, the following:

a. Based on my review of information pertaining to the Six Transfers and information provided by a blockchain analysis software, I have learned that, between on or about September 20, 2018 and on or about October 1, 2018, the Six Transfers were deposited into a peer-to-peer Bitcoin exchange service ("Company-2"). The latest transfer occurred on October 1, 2018 at approximately 2:25 PM.

b. Based on my review of information provided by a blockchain analysis software of Payment-1, I have learned that, on or about October 1, 2018, at approximately 3:18 PM, Payment-1 was transferred from a Bitcoin address associated with Company-2 to a Bitcoin address associated with Website-1.

11. Based on my participation in the investigation, my conversations with other law enforcement officers and other witnesses, my review of documents and other records, and my comparison of (i) the Message Exchange and (ii) the transactions of DESIRAE SCHNEIDER, the defendant, on Bank Account-1 and the Company-1 Account, I believe there is probable cause to find that SCHNEIDER is Individual-1.

WHEREFORE, deponent respectfully requests that a warrant be issued for the arrest of DESIRAE SCHNEIDER, the defendant, and that she be arrested, and imprisoned or bailed, as the case may be.



Special Agent Charles Tannouri
Homeland Security Investigations

Sworn to before me this
11th day of March, 2020



THE HONORABLE ONA T. WANG
UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF NEW YORK